REMARKS

This amendment is being filed in response to the Office Action having a mailing date of October 3, 2006. Claims 17, 23, and 32 are amended as shown. Claims 28-31 are canceled herein without prejudice. New claims 34-39 are added. No new matter has been added. With this amendment, claims 14-15, 17-21, 23-27, and 32-39 are pending in the application.

I. Discussion of the claims and cited references

The present Office Action rejected claims 14-15, 17-21, and 23-33 under 35 U.S.C. § 103(a) as being unpatentable over Leon (U.S. Patent No. 6,701,304) in view of Circular 17: The Enforcement of the Kansas Livestock Remedy Law (hereinafter "Circular 17") and Reynolds (U.S. Patent No. 2,275,091). Specifically, page 2 of the present Office Action indicated that Leon does not provide the feature of "specifying tax information on the data structure and affixing the memory device in a location to damage it upon opening."

To supply these and various other missing teachings of Leon, the Office Action cited Tuttle (U.S. Patent No. 5,497,140), which was incorporated by reference in Leon, as disclosing an RFID device that works in conjunction with "an external RF source controller and operative to encode (need a code to access) this data in IC chip memory"; cited Circular 17 as teaching "what information would be obvious to put in/on the data structure of Leon"; and cited Reynolds as disclosing the feature of a "federal revenue stamp will be mutilated as is required by federal laws in connection with taxed packages where tax stamps are applied thereto."

For the reasons set forth below, it is respectfully submitted that none of the cited references, whether singly or in combination, cure the deficiencies of Leon.

A. Existing claim limitations

Independent claim 17 as previously presented recited, *inter alia*, "wherein the data structure also stores a product type identifier and a manufacturer identifier

associated with the taxable item, along with the tax information." Independent claim 23 as previously presented recited, *inter alia*, "wherein same said data structure further has records that store a product type identifier and a manufacturer identifier associated with the taxable item." It was argued in various previously filed responses that none of the references disclose, teach, or suggests these features.

However, pages 4-5 of the present Office Action rejected such arguments and maintained the rejections by stating (emphasis ours):

> "Applicant asserts that there is no motivation to modify Leon's tax stamp to include manufacturer and product type identifiers. The Examiner does not concur. Compliance with the law is a very strong motivation. Since Leon is silent to the information content of a tax stamp, it would appear that complying with the law would be an obvious step. Applicant asserts that Circular 17 does not provide manufacturer and product type identifiers in a data structure that stores tax information. This is a moot argument because the examiner did not assert this in the rejection. The rejection states that the data structure is being taught by Leon, not circular 17. Circular 17 is being used only to teach what information would be obvious to put in/on the data structure of Leon."

The various assertions above by the Office Action are respectfully traversed herein for a number of reasons.

First, assuming *arguendo* and *hypothetically* that "complying with the law would be an obvious step," it is respectfully submitted that Circular 17 cannot be read so broadly as to make obvious the storage of manufacturer and product information on a data structure along with tax information, so that the tax stamp of Leon would be "compliant with the law." For example, Circular 17 explicitly explains the following:

> "The purpose of the Kansas Livestock Remedy Law is to give such information to a person proposing to use a remedy for livestock, that he may form an intelligent opinion as to its value for the purposes intended, without being too largely influenced by the often extravagant claims of the vendor." (Page 1, emphasis ours).
>
> "Therefore, when the specific English name of all ingredients, the actual percent of those mentioned in the law, and the maximum percent of such as are used as fillers are given on a label, a prospective purchaser is in a position to judge for himself as to the value of the remedy and to determine whether he wants to pay the price asked for the combination." (Page 2, emphasis ours).
>
> "1. The following information is required on the label.
>
> a. The name and principal address of the manufacturer or person responsible for placing the livestock remedy on the market. …
>
> d. The specific English name of each ingredient used in the manufacture of the remedy." (Page 5, emphasis ours).

The above cited passages of Circular 17 specifically explain and illustrate the purpose of the law: to provide easy-to-understand information to a purchaser, on a label, so that the purchaser can make an intelligent opinion whether or not to purchase and use the remedy. To aid in assisting the purchaser in evaluating the remedy (without being unduly influenced by the claims of the vendor), the information needs to be 1) in English (*e.g.*, the "specific English name"), and 2) placed on a label. As is understood by those familiar with products and product labeling, one of the purposes of labeling is to give purchasers an opportunity to easily locate and to easily visually inspect the ingredients of a product. Labeling may also be related in some ways to traditional "trademarking," where the label/trademark provides the consumer with a way to readily visually identify the origin of goods and services.

It is therefore respectfully submitted that:

1) There is no motivation for Circular 17 to place the manufacturer and product information on a tax stamp, since a separate label is specifically provided for such purposes by Circular 17 so as to provide the purchaser with a familiar and visually convenient location to examine the manufacturer/product information, and/or since a conventional tax stamp of Circular 17 would not have the space ("real estate") or incentive to include such duplicate manufacturer/product information thereon; and/or

2) Contrary to the assertion in the present Office Action, there is no motivation to include the manufacturer/product information (printed on the label of Circular 17) in the tax stamp of Leon, since placing such information on the tax stamp of Leon would then require the typical purchaser to own, operate, and be familiar with an automatic data collection device that can decode the machine-readable contents of such a tax stamp— for example, the typical purchaser of today does not carry an RFID reader to decode the contents of RFID tags (and in fact may not even recognize an RFID tag) when going shopping—instead, such typical shoppers of today physically read printed labels with their own eyes. Placing such information on the tax stamp of Leon would be contrary to the intent of Circular 17 to provide users with a convenient label to visually identify (by reading with human eyes) the ingredients of a remedy—purchasers would not think of and physically look to the tax stamp of Leon in order to obtain the manufacturer and product information from a tax stamp. Instead, such users would look to the ubiquitous and familiar printed labels, as taught by Circular 17, in order to visually identify and evaluate the product and manufacturer information printed thereon.

It is therefore noted here for the record that the Office Action appears to be trying to use the claimed invention as a blueprint to combine various features of the prior art to arrive at the claimed subject matter. It is well settled that such use of hindsight is impermissible as a matter of law. *In re Gorman*, 18 U.S.P.Q.2d 1885, 1888 (Fed. Cir. 1991). It is the prior art references themselves that must suggest the combination. Kimberly Clark v. J & J, 223 U.S.P.Q. 603 (Fed. Cir. 1984). *See also* Fromson v. Advanced Offset Plate, 755 F.2d 1549, 1556 (Fed. Cir. 1985). The cited references, as explained above and in previous responses, clearly do not teach or suggest

placing the manufacturer and product information on a same data structure that also stores the tax information. A person skilled in the art would never look to Circular 17 to supply the missing teachings of Leon, since as described above, Circular 17 involves placing the manufacturer and product information on a label that is separate from the tax stamp (so as to provide purchasers with a readily accessible and easily identifiable location to evaluate the ingredients of the remedy), whereas in contrast, Leon simply teaches a postage stamp (or tax stamp) that would require automatic data collection devices for reading and that further would not be recognized by a purchaser as containing manufacturer/product information (*e.g.*, the purchaser would look for manufacturer/product information from a printed label that is separate from a tax stamp).

Thus, it is respectfully submitted that claims 17 and 23 are allowable.

Also and previously quoted above, the Office Action stated "Applicant asserts that Circular 17 does not provide manufacturer and product type identifiers in a data structure that stores tax information. This is a moot argument because the examiner did not assert this in the rejection." It is respectfully submitted that the applicant's arguments are not "moot" but rather are arguments that need to be considered and fully evaluated on their merits, since the claim language contains such features. For example, claim 17 specifically recites that "the data structure also stores a product type identifier and a manufacturer identifier associated with the taxable item, along with the tax information." There has been no well-reasoned explanation or showing in the Office Action that Circular 17 in fact cures the deficiencies of Leon, since the Office Action is arguing on the one hand that it would be obvious to put the manufacturer/product information of Circular 17 in the tax stamp of Leon, while on the other hand Circular 17 clearly shows that the manufacturer/product information is not placed on a tax stamp. To interpret Circular 17 as disclosing certain types of information, any or all of which can be placed on a tax stamp (whether on the tax stamp disclosed in Circular 17 or in the tax stamp of Leon), gives this reference an unduly broad interpretation that is unsupported. In short, the Office Action has failed to meet the burden of: showing that the reference(s) provide the teaching or motivation to combine references; and/or the showing that the

claimed limitations are found in the references; and/or that the references, if combined, would meet the claim limitations.

The Examiner *must* take the references in their entirety, and cannot simply ignore portions that *teach away* from the claimed subject matter or otherwise argue against obviousness. *Bausch & Lomb v. Barnes-Hind/Hydrocurve, Inc.*, 230 U.S.P.Q. 416, 420 (Fed. Cir. 1986). It is impermissible to pick and choose from a reference only so much of it as will support a conclusion of obviousness to the exclusion of other parts necessary to a full appreciation of what the reference fairly suggests to one skilled in the art. *Id* at 419. The courts have long cautioned that consideration *must* be given "where the references diverge and *teach away* from the claimed invention." *Akzo N.V. v. International Trade Commission*, 1 U.S.P.Q.2d 1241, 1246 (Fed. Cir. 1986). In other words, the Examiner has not explained why one skilled in the art would ignore the clear and unambiguous teachings of Circular 17 that clearly show and describe the manufacturer/product information on the label as being separate from the tax stamp.

Accordingly, it is respectfully submitted that claims 17 and 23 are allowable.

B. Other claim limitations

To facilitate prosecution, claims 17 and 23 are nevertheless amended herein to recite additional features that distinguish over the cited references. Specifically, claim 17 as presently amended recites, *inter alia*, that the machine readable structure further comprises "a write access code to allow said tax information stored in the data structure to be updated after the machine readable structure has been physically associated with the taxable item." Claim 23 as presently amended recites, *inter alia*, that the computer readable memory further comprises "a write access code to enable said records in the data structure to be updated, after the wireless memory device has been physically associated by affixing to the taxable item." These features are not disclosed, taught, or suggested by the cited references.

For example, the present Office Action has cited column 6, lines 20-21 of Tuttle as allegedly disclosing an external RF source controller "operative to encode (need a code to access)" the data in an IC chip memory. However, it is respectfully submitted that Tuttle only provides read-only access, and in particular does not provide the feature of a write access code to update the stored information after being affixed to an item (such as claimed in claim 23).

Specifically, Tuttle describes the following in column 6, lines 14-29 (emphasis ours):

> "As an example of a data call-up operation, when the RFID package in the above figures is placed on the outside surface of a piece luggage by the airlines or on a package for shipment by the postal service, either the airline agent or the postal worker will transmit information to the receiver 68 via an RF communication link concerning data such as the owner's name ID number, point of origin, weight, size, route, destination, and the like. This information received at the receiver stage 68 is then transmitted over line 80 and through the appropriate control logic stage 82 which sorts this information out in a known manner and in turn transmits the data to be stored via lines 84 into a bank of memory 86. This data is stored here in memory 86 until such time that it is desired to call up the data at one or more points along the shipment route."

This above-cited passage of Tuttle therefore describes the procedure in which data from the RFID tag can be "called up" or otherwise read during points along the shipment route: the owner's name ID number, point of origin, weight, size, route, destination are transmitted for storage in the RFID tag when the RFID tag is placed on

the outside of the package, and then later called up during points along the shipment route.

Tuttle is completely silent as to any sort of updating of the previously stored information in his RFID tag, after the RFID tag having information stored therein has been affixed to the outside surface of the package. Tuttle is further completely silent as to any sort of write access code to allow such update to be performed. Indeed, Tuttle clearly only reads from the RFID tag and does not perform any updating of information previously stored therein, after the RFID tag having stored information has been affixed to the item—once the RFID tag of Tuttle has been stored with information and affixed to the package, the stored information is not updated afterwards and is instead only read.

Thus, it is respectfully submitted that claims 17 and 23 are further allowable over the cited references.

New independent claim 36 recites, *inter alia*, the distinctive features of "the data structure also stores a product type identifier and a manufacturer identifier associated with the taxable item, along with the tax information" and "an interrogator adapted to communicate a write access code to said machine readable structure to allow said tax information stored therein to be updated after the machine readable structure has been physically affixed to the taxable item." Because these features are not disclosed, taught, or suggested by the cited references, whether singly or in combination, claim 36 is allowable.

Since the present application contains canceled claims that were previously paid for, no additional fee is required for the newly submitted claims.

II. Conclusion

Overall, none of the references singly or in any motivated combination disclose, teach, or suggest what is recited in the independent claims. Thus, given the above amendments and accompanying remarks, the independent claims are now in condition for allowance. The dependent claims that depend directly or indirectly on these

independent claims are likewise allowable based on at least the same reasons and based on the recitations contained in each dependent claim.

If the undersigned attorney has overlooked a teaching in any of the cited references that is relevant to the allowability of the claims, the Examiner is requested to specifically point out where such teaching may be found. Further, if there are any informalities or questions that can be addressed via telephone, the Examiner is encouraged to contact the undersigned attorney at (206) 622-4900.

The Director is authorized to charge any additional fees due by way of this Amendment, or credit any overpayment, to our Deposit Account No. 19-1090.

All of the claims remaining in the application are now clearly allowable. Favorable consideration and a Notice of Allowance are earnestly solicited.

Respectfully submitted,

SEED Intellectual Property Law Group PLLC

/Dennis M. de Guzman/

Dennis M. de Guzman
Registration No. 41,702

DMD:wt

701 Fifth Avenue, Suite 5400
Seattle, Washington 98104
Phone: (206) 622-4900
Fax: (206) 682-6031

883146_1.DOC